

OPEN MEETING AGENDA ITEM



0000158491

December 8, 2014

Commissioner Bob Stump, Chairman
Commissioner Gary Pierce
Commissioner Brenda Burns
Commissioner Robert L. Burns
Commissioner Susan Bitter Smith

RECEIVED

2014 DEC -8 A 10:03

ORIGINAL

AZ CORP COMMISSION
DOCKET CONTROL

Re: Docket No. E-01345A-11-0224: Arizona Investment Council's Response to AG-1 Customers' and AG Generation Service Providers' Joint Motion to Extend Experimental Rate Rider Schedule AG-1

a|i|c

Dear Commissioners:

As a signatory to the Settlement Agreement in Decision No. 73183 (May 24, 2012), AIC opposes the Joint Motion of AG-1 Customers and Generation Service Providers filed on November 20, 2014.

The Settlement Agreement and Decision No. 73183, which authorized the AG-1 rate schedule clearly specify the AG-1 rate as an experimental rate, and imposed limitations on both its effective term and total load available for eligible customers. Accordingly, the AG-1 rate terminates July 1, 2016.

Furthermore, the Settlement Agreement anticipates that APS would evaluate the experimental AG-1 rate and provide recommendations for its potential continuation, modification or elimination in its next rate case.

AIC believes it is premature to extend the experimental AG-1 rate for the following reasons:

- The term of the experimental AG-1 rate has another year and a half to run as outlined in the Settlement Agreement and Decision No. 73183. It is not necessary to extend it now.
- The study of the experimental AG-1 rate has not been conducted or completed, and was agreed to be included in APS' next rate case. Consideration of an indefinite extension at this time as requested in the Joint Motion deprives the Commission and parties the opportunity to review, consider and incorporate the results of the study prior to extension, modification or termination of AG-1.

For these reasons, AIC opposes the Joint Motion and requests the Commission deny the Joint Motion's request to indefinitely extend the AG-1 experimental rate schedule.

Very truly yours,

Gary M. Yaquinto
President & CEO

Original and thirteen (13) copies
filed on December 8, 2014 with Docket Control

Arizona Corporation Commission

DOCKETED

DEC 08 2014

DOCKETED BY

ARIZONAIC.ORG

P 602 257 9200 2100 north central, suite 210
F 602 254 4300 phoenix, arizona 85004

BUILDING ECONOMIC FOUNDATIONS
THROUGH ENERGY, WATER AND
COMMUNICATIONS INFRASTRUCTURE

ARIZONA INVESTMENT COUNCIL